

**CITY OF BISMARCK POLICE PENSION FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF NOVEMBER 30, 2008**

LARGE CAP DOMESTIC EQUITY	November-08				October-08				September-08				Current	Prior Year	3 Years	5 Years
	Allocation			Month	Allocation			Month	Allocation			Quarter	Fiscal YTD	FY08	Ended	Ended
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net ROR	Net ROR	6/30/2008	6/30/2008
Structured Growth																
LA Capital	547,158	3.1%	3.4%	-6.66%	568,586	3.0%	3.4%	-16.72%	670,881	3.1%	3.4%	-13.15%	-32.49%	-6.96%	8.22%	N/A
Total Structured Growth	547,158	3.1%	3.4%	-6.66%	568,586	3.0%	3.4%	-16.72%	670,881	3.1%	3.4%	-13.15%	-32.49%	-6.96%	8.22%	10.32%
Russell 1000 Growth				-7.95%				-17.61%				-12.33%	-33.51%	-5.96%	5.91%	7.32%
Structured Value																
LSV	497,251	2.8%	3.4%	-7.54%	517,127	2.7%	3.4%	-20.37%	637,956	3.0%	3.4%	-6.27%	-30.99%	-22.29%	3.56%	11.19%
Russell 1000 Value				-7.17%				-17.31%				-6.11%	-27.93%	-18.78%	3.53%	8.92%
Enhanced Russell 1000 Index																
LA Capital	321,688	1.8%	2.8%	-6.66%	481,053	2.6%	2.8%	-15.79%	568,512	2.7%	2.8%	-9.44%	-28.82%	-10.70%	6.55%	9.03%
Russell 1000				-7.56%				-17.46%				-9.35%	-30.83%	-12.36%	4.81%	8.22%
Enhanced S&P 500 Index																
Northern Trust	215,265	1.2%	1.4%	-7.70%	224,040	1.2%	1.4%	-18.02%	268,598	1.3%	1.4%	-6.80%	-29.48%	-15.84%	3.14%	6.72%
Westridge	485,973	2.7%	3.1%	-7.08%	502,946	2.7%	3.1%	-16.71%	593,142	2.8%	3.1%	-8.06%	-28.84%	-12.25%	4.94%	8.02%
Wells Capital	77,034	0.4%	2.2%	-32.56%	109,565	0.6%	2.2%	-36.09%	387,072	1.8%	2.2%	-24.53%	-67.47%	-31.59%	N/A	N/A
European Credit Management	132,271	0.7%	1.4%	-21.23%	161,379	0.9%	1.4%	-35.90%	247,431	1.2%	1.4%	-21.07%	-60.14%	N/A	N/A	N/A
Prudential	145,293	0.8%	1.5%	-19.34%	173,032	0.9%	1.5%	-36.10%	266,142	1.2%	1.5%	-25.46%	-61.58%	N/A	N/A	N/A
Franklin	208,612	1.2%	1.4%	-11.92%	227,255	1.2%	1.4%	-16.47%	267,070	1.3%	1.4%	-12.12%	-35.34%	-13.65%	N/A	N/A
Total Enhanced S&P 500 Index	1,264,448	7.1%	11.1%	-13.11%	1,398,216	7.4%	11.1%	-25.43%	2,029,454	9.5%	11.1%	-16.16%	-45.68%	-18.66%	2.40%	6.45%
S&P 500				-7.18%				-16.79%				-8.37%	-29.23%	-13.12%	4.41%	7.58%
Absolute Return Strategy																
Epoch	361,148	2.0%	1.7%	-5.87%	369,147	2.0%	1.7%	-11.41%	294,406	1.4%	1.7%	-12.66%	-27.17%	-6.84%	N/A	N/A
S&P 500				-7.18%				-16.79%				-8.37%	-29.23%	-13.12%		
S&P 500 Index																
State Street	78,855	0.4%	1.7%	-7.75%	206,848	1.1%	1.7%	-17.05%	318,609	1.5%	1.7%	-11.64%	-32.38%	-18.23%	2.99%	6.70%
S&P 500				-7.18%				-16.79%				-8.37%	-29.23%	-13.12%	4.41%	7.58%
Temporary Asset Allocation (Enhanced)																
Westridge (moved from dom fixed 11/1/08)	265,868	1.5%	0.0%	-7.00%	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
S&P 500				-7.18%				0.00%				0.00%	0.00%			
Asset Allocation Overlay																
Clifton (current notional exposure \$912,373)	204,207	1.1%	1.1%	-7.22%	2,046	0.0%	0.0%	N/A								
S&P 500				-7.18%				-16.79%				-8.37%	-29.23%	-13.12%	4.41%	7.58%
TOTAL LARGE CAP DOMESTIC EQUITY	3,540,622	19.8%	24.0%	-9.15%	3,543,024	18.8%	24.0%	-20.71%	4,519,819	21.2%	24.0%	-13.07%	-37.37%	-16.11%	4.22%	8.17%
S&P 500				-7.18%				-16.79%				-8.37%	-29.23%	-13.12%	4.41%	7.58%
TOTAL LG CAP DOM EQ EXPOSURE inc. futures	4,248,788	24.2%	24.0%		3,857,151	20.5%	24.0%									
SMALL CAP DOMESTIC EQUITY																
Manager-of-Managers																
SEI	737,763	4.1%	8.6%	-13.61%	1,252,942	6.7%	8.6%	-22.59%	1,733,356	8.1%	8.6%	-1.30%	-34.00%	-22.41%	1.06%	8.52%
Russell 2000 + 200bp				-11.66%				-20.64%				-0.61%	-30.32%	-14.48%	5.88%	12.50%
Callan	462,126	2.6%	3.4%	-12.23%	533,918	2.8%	3.4%	-22.44%	687,130	3.2%	3.4%	-7.13%	-36.78%	-15.44%	N/A	N/A
Russell 2000				-11.83%				-20.80%				-1.11%	-30.95%	-16.19%		
Asset Allocation Overlay																
Clifton (current notional exposure \$924,625)	247,841	1.4%	1.4%	-11.58%	7,863	0.0%	0.0%	N/A								
Russell 2000																
TOTAL SMALL CAP DOMESTIC EQUITY	1,447,730	8.1%	12.0%	-13.19%	1,794,723	9.5%	12.0%	-22.55%	2,420,486	11.4%	12.0%	-2.98%	-34.77%	-20.36%	2.11%	9.20%
Russell 2000				-11.83%				-20.80%				-1.11%	-30.95%	-16.19%	3.79%	10.29%
TOTAL SM CAP DOM EQ EXPOSURE inc. futures	2,124,514	12.1%	12.0%		2,214,498	11.8%	12.0%									
INTERNATIONAL EQUITY																
Large Cap - Core																
State Street	171,677	1.0%	1.1%	-4.97%	154,201	0.8%	1.1%	-22.32%	198,348	0.9%	1.1%	-21.95%	-42.39%	-13.11%	12.40%	14.27%
MSCI EAFE (1)				-5.41%				-20.18%				-20.56%	-40.02%	-10.61%	12.84%	14.86%
Large Cap - Active																
Capital Guardian	490,741	2.7%	3.3%	-3.81%	514,870	2.7%	3.3%	-19.00%	638,301	3.0%	3.3%	-18.64%	-36.61%	-13.89%	11.58%	14.15%
LSV	436,713	2.4%	3.3%	-6.24%	483,292	2.6%	3.3%	-20.12%	604,387	2.8%	3.3%	-17.25%	-38.03%	-23.98%	8.07%	N/A
Total Large Cap - Active	927,454	5.2%	7.7%	-4.99%	998,162	5.3%	7.7%	-19.55%	1,242,688	5.8%	7.7%	-17.97%	-37.30%	-20.05%	9.04%	13.03%
MSCI EAFE - 50% Hedged				-4.98%				-17.28%				-16.79%	-34.59%	-15.14%	10.93%	14.67%
Small Cap - Active																
DFA	170,471	1.0%	1.1%	-5.55%	154,144	0.8%	1.1%	-21.76%	197,025	0.9%	1.1%	-20.80%	-41.47%	N/A	N/A	N/A
Wellington	172,407	1.0%	1.1%	-0.69%	148,571	0.8%	1.1%	-21.99%	190,249	0.9%	1.1%	-25.78%	-42.50%	-15.19%	9.83%	16.11%
Total Small Cap - Active	342,878	1.9%	2.2%	-3.16%	302,714	1.6%	2.2%	-21.87%	387,274	1.8%	2.2%	-23.33%	-41.99%	-15.60%	9.53%	16.89%
S&P/Citigroup BMI EPAC < \$2BN				-3.70%				-23.80%				-23.50%	-43.86%	-19.12%	10.36%	19.26%
Asset Allocation Overlay																
Clifton (current notional exposure \$1,128,262)	271,603	1.5%	1.5%	-4.73%	-	0.0%	0.0%	N/A								
MSCI EAFE																
TOTAL INTERNATIONAL EQUITY	1,713,612	9.6%	11.0%	-4.61%	1,455,077	7.7%	11.0%	-20.34%	1,828,310	8.6%	11.0%	-19.61%	-38.91%	-18.47%	9.51%	13.93%
MSCI EAFE - 50% Hedged				-4.98%				-17.28%				-16.79%	-34.59%	-15.14%	10.93%	14.67%
TOTAL INTL EQ EXPOSURE inc. futures	2,570,271	14.6%	11.0%		1,455,077	7.7%	11.0%									

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	November-08				October-08				September-08				Current Fiscal YTD	Prior Year FY08	3 Years Ended 6/30/2008	5 Years Ended 6/30/2008
	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net ROR	Net ROR	Net	Net
<b>EMERGING MARKETS EQUITY</b>																
<b>Core</b>																
JP Morgan	60,176	0.3%	0.5%	-7.54%	65,033	0.3%	0.5%	-25.95%	87,739	0.4%	0.5%	-22.87%	-47.19%	3.57%	N/A	N/A
PanAgora	55,226	0.3%	0.5%	-8.87%	60,563	0.3%	0.5%	-28.82%	85,014	0.4%	0.5%	-27.52%	-52.98%	7.21%	N/A	N/A
WestLB	57,033	0.3%	0.5%	-9.95%	63,271	0.3%	0.5%	-27.69%	87,244	0.4%	0.5%	-28.00%	-53.12%	11.12%	N/A	N/A
UBS	75,832	0.4%	0.5%	-7.00%	81,479	0.4%	0.5%	-29.36%	115,643	0.5%	0.5%	-27.00%	-52.05%	5.82%	N/A	N/A
<b>Total Core</b>	<b>248,267</b>	<b>1.4%</b>	<b>2.0%</b>	<b>-8.24%</b>	<b>270,346</b>	<b>1.4%</b>	<b>2.0%</b>	<b>-28.05%</b>	<b>375,640</b>	<b>1.8%</b>	<b>2.1%</b>	<b>-26.44%</b>	<b>-51.44%</b>	<b>6.87%</b>	<b>27.76%</b>	<b>29.00%</b>
MSCI Emerging Markets				-7.52%				-27.35%				-26.86%	-50.86%	4.89%	27.52%	22.84%
<b>Small Cap</b>																
DFA	58,102	0.3%	0.6%	-6.12%	61,887	0.3%	0.6%	-30.34%	88,846	0.4%	0.6%	-24.25%	-50.46%	-13.68%	N/A	N/A
MSCI Emerging Markets				-7.52%				-27.35%				-26.86%	-50.86%	4.89%		
<b>Private Equity</b>																
Capital International	46,173	0.3%	0.3%	-9.73%	51,152	0.3%	0.3%	0.00%	51,152	0.2%	0.2%	6.52%	-3.85%	N/A	N/A	N/A
MSCI Emerging Markets				-7.52%				-27.35%				-26.86%	-50.86%			
<b>Infrastructure</b>																
JP Morgan	24,206	0.1%	0.1%	0.00%	24,206	0.1%	0.1%	0.00%	25,281	0.1%	0.1%	N/A	N/A	N/A	N/A	N/A
<b>TOTAL EMERGING MARKETS EQUITY</b>	<b>376,748</b>	<b>2.1%</b>	<b>3.0%</b>	<b>-7.62%</b>	<b>407,591</b>	<b>2.2%</b>	<b>3.0%</b>	<b>-24.46%</b>	<b>540,919</b>	<b>2.5%</b>	<b>3.0%</b>	<b>-23.25%</b>	<b>-46.44%</b>	<b>2.99%</b>	<b>27.07%</b>	<b>28.58%</b>
MSCI Emerging Markets				-7.52%				-27.35%				-26.86%	-50.86%	4.89%	27.52%	30.15%
<b>DOMESTIC FIXED INCOME</b>																
<b>Core Bond</b>																
Western Asset	330,350	1.8%	1.3%	-1.39%	333,976	1.8%	1.5%	-7.59%	435,721	2.0%	1.7%	-6.30%	-14.61%	-0.30%	1.78%	2.90%
BC Aggregate				3.25%				-2.36%				-0.49%	0.33%	7.12%	4.09%	3.86%
<b>Index</b>																
Bank of ND	600,102	3.4%	2.0%	4.58%	574,735	3.1%	2.0%	-2.29%	656,915	3.1%	2.6%	-1.64%	0.50%	7.70%	3.93%	3.57%
<b>Total Index</b>	<b>600,102</b>	<b>3.4%</b>	<b>2.0%</b>	<b>4.58%</b>	<b>574,735</b>	<b>3.1%</b>	<b>2.0%</b>	<b>-2.29%</b>	<b>656,915</b>	<b>3.1%</b>	<b>2.6%</b>	<b>-1.64%</b>	<b>0.50%</b>	<b>7.70%</b>	<b>4.17%</b>	<b>3.91%</b>
BC Gov/Credit				4.43%				-2.51%				-1.64%	0.15%	7.24%	3.84%	3.58%
<b>Enhanced</b>																
Westridge (moved to Lg Cap 11/1/08)	-	0.0%	1.6%	N/A	432,460	2.3%	1.6%	0.30%	437,118	2.1%	1.6%	2.75%	N/A	N/A	N/A	N/A
BC Aggregate				0.00%				-2.36%				-0.49%	-2.84%			
<b>Convertibles</b>																
Calamos (2)	313,678	1.8%	1.3%	-3.48%	326,995	1.7%	1.5%	-15.88%	434,707	2.0%	1.7%	-11.09%	-27.81%	-2.86%	N/A	N/A
<b>Total Convertibles</b>	<b>313,678</b>	<b>1.8%</b>	<b>1.3%</b>	<b>-3.48%</b>	<b>326,995</b>	<b>1.7%</b>	<b>1.5%</b>	<b>-15.88%</b>	<b>434,707</b>	<b>2.0%</b>	<b>1.7%</b>	<b>-11.09%</b>	<b>-27.81%</b>	<b>-2.86%</b>	<b>4.55%</b>	<b>2.71%</b>
Merrill Lynch All Convertibles (3)				-5.83%				-17.99%				-17.56%	-36.33%	-6.36%	5.72%	6.36%
<b>BBB Average Quality</b>																
Wells Capital	440,954	2.5%	1.3%	2.22%	430,402	2.3%	1.5%	-8.24%	476,107	2.2%	1.7%	-3.78%	-9.75%	3.70%	3.26%	4.56%
BC BBB				2.82%				-10.95%				-4.85%	-12.87%	2.62%	2.52%	3.44%
<b>Senior Debt</b>																
PIMCO	239,697	1.3%	1.3%	0.00%	240,120	1.3%	1.3%	2.64%	159,377	0.7%	0.7%	N/A	N/A	N/A	N/A	N/A
BC Aggregate				3.25%				-2.36%				-0.49%	0.33%	7.12%		
<b>Private Debt</b>																
Prudential	438,723	2.5%	1.3%	3.46%	425,045	2.3%	1.5%	-6.40%	460,278	2.2%	1.7%	-1.79%	-4.90%	3.32%	3.41%	N/A
BC Aggregate				3.25%				-2.36%				-0.49%	0.33%	7.12%		
<b>Timberland</b>																
TIR - Teredo (4)	574,391	3.2%	3.2%	-0.05%	575,404	3.1%	3.1%	-0.38%	586,226	2.8%	2.8%	-0.14%	-0.56%	22.02%	15.15%	14.07%
TIR - Springbank	1,267,236	7.1%	7.1%	-0.14%	1,269,697	6.7%	6.7%	-0.26%	1,289,513	6.1%	6.1%	-0.43%	-0.84%	15.25%	18.41%	N/A
<b>Total Timberland</b>	<b>1,841,627</b>	<b>10.3%</b>	<b>10.3%</b>	<b>-0.11%</b>	<b>1,845,101</b>	<b>9.8%</b>	<b>9.8%</b>	<b>-0.30%</b>	<b>1,875,739</b>	<b>8.8%</b>	<b>8.8%</b>	<b>-0.34%</b>	<b>-0.75%</b>	<b>17.50%</b>	<b>17.86%</b>	<b>21.14%</b>
NCREIF Timberland Index				0.33%				0.33%				0.99%	1.66%	19.96%	17.12%	14.70%
<b>Infrastructure</b>																
JP Morgan	922,453	5.2%	5.2%	-0.13%	924,080	4.9%	4.9%	-0.13%	936,832	4.4%	4.4%	3.31%	3.04%	13.28%	N/A	N/A
<b>Asset Allocation Overlay</b>																
Clifton (current notional exposure \$-3,302,809)	66,754	0.4%	0.4%	-5.83%	454	0.0%	0.0%	N/A								
BC Aggregate																
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>5,194,338</b>	<b>29.0%</b>	<b>24.5%</b>	<b>0.61%</b>	<b>5,533,368</b>	<b>29.4%</b>	<b>24.5%</b>	<b>-3.19%</b>	<b>5,872,793</b>	<b>27.6%</b>	<b>24.5%</b>	<b>-1.50%</b>	<b>-4.05%</b>	<b>9.02%</b>	<b>8.15%</b>	<b>9.65%</b>
BC Aggregate				3.25%				-2.36%				-0.49%	0.33%	7.12%	4.09%	3.86%
<b>TOTAL DOM FI EXPOSURE inc. futures</b>	<b>1,824,775</b>	<b>10.4%</b>	<b>24.5%</b>		<b>4,750,648</b>	<b>25.3%</b>	<b>24.5%</b>									
<b>HIGH YIELD BONDS</b>																
<b>Core</b>																
Loomis Sayles	371,546	2.1%	1.6%	-7.92%	406,340	2.2%	1.7%	-17.44%	486,606	2.3%	1.9%	-12.73%	-33.66%	-1.43%	5.39%	N/A
Sutter/Wells Capital	264,859	1.5%	1.6%	-14.60%	314,412	1.7%	1.7%	-36.09%	483,639	2.3%	1.9%	-6.97%	-49.23%	-6.12%	2.58%	N/A
<b>Total Core</b>	<b>636,406</b>	<b>3.6%</b>	<b>3.2%</b>	<b>-10.84%</b>	<b>720,752</b>	<b>3.8%</b>	<b>3.3%</b>	<b>-26.74%</b>	<b>970,245</b>	<b>4.6%</b>	<b>3.8%</b>	<b>-10.04%</b>	<b>-41.24%</b>	<b>-3.71%</b>	<b>4.01%</b>	<b>4.88%</b>
LB High Yield 2% Issuer Constrained Index				-8.77%				-16.09%				-8.56%	-30.00%	-1.75%	4.48%	N/A
<b>Mezzanine Debt</b>																
Goldman Sachs 2006 Fund	31,345	0.2%	0.2%	0.00%	31,345	0.2%	0.2%	0.00%	31,345	0.1%	0.1%	-6.02%	-6.02%	-3.89%	N/A	N/A
Goldman Sachs Fund V	49,582	0.3%	0.3%	0.00%	49,582	0.3%	0.3%	0.00%	49,582	0.2%	0.2%	2.67%	2.67%	2.67%	N/A	N/A
TCW	116,838	0.7%	0.7%	0.11%	116,705	0.6%	0.6%	1.24%	87,399	0.4%	0.4%	2.02%	3.40%	7.26%	N/A	N/A
<b>Total Mezzanine Debt</b>	<b>197,765</b>	<b>1.1%</b>	<b>1.1%</b>	<b>0.07%</b>	<b>197,632</b>	<b>1.0%</b>	<b>1.0%</b>	<b>0.64%</b>	<b>168,325</b>	<b>0.8%</b>	<b>0.8%</b>	<b>0.60%</b>	<b>1.31%</b>	<b>0.49%</b>	<b>N/A</b>	<b>N/A</b>
LB High Yield 2% Issuer Constrained Index				-8.77%				-16.09%				-8.56%	-30.00%	-1.75%		

**CITY OF BISMARCK POLICE PENSION FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF NOVEMBER 30, 2008**

	November-08				October-08				September-08				Current	Prior Year	3 Years	5 Years
	Allocation		Month		Allocation		Month		Allocation		Quarter		Fiscal YTD	FY08	Ended	Ended
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net ROR	Net ROR	6/30/2008	6/30/2008
<b>Distressed Mortgages</b>																
PIMCO	93,389	0.5%	0.5%	0.00%	93,389	0.5%	0.5%	-8.78%	78,488	0.4%	0.4%	0.96%	-7.90%	N/A	N/A	N/A
Declaration Management	34,127	0.2%	0.2%	2.54%	26,952	0.1%	0.1%	-2.40%	19,232	0.1%	0.1%	-3.65%	-3.57%	N/A	N/A	N/A
<b>Total Distressed Mortgages</b>	<b>127,516</b>	<b>0.7%</b>	<b>0.7%</b>	<b>0.57%</b>	<b>120,341</b>	<b>0.6%</b>	<b>0.6%</b>	<b>-7.52%</b>	<b>97,721</b>	<b>0.5%</b>	<b>0.5%</b>	<b>0.02%</b>	<b>-6.98%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
LB High Yield 2% Issuer Constrained Index				-8.77%				-16.09%				-8.56%	-30.00%			
<b>TOTAL HIGH YIELD BONDS</b>	<b>961,686</b>	<b>5.4%</b>	<b>5.0%</b>	<b>-7.44%</b>	<b>1,038,726</b>	<b>5.5%</b>	<b>5.0%</b>	<b>-21.49%</b>	<b>1,236,291</b>	<b>5.8%</b>	<b>5.0%</b>	<b>-7.92%</b>	<b>-33.09%</b>	<b>-4.27%</b>	<b>3.82%</b>	<b>6.32%</b>
LB High Yield 2% Issuer Constrained Index				-8.77%				-16.09%				-8.56%	-30.00%	-1.75%	4.48%	6.88%
<b>INTERNATIONAL FIXED INCOME</b>																
<b>International Sovereign</b>																
UBS Global (Brinson)	884,959	4.9%	4.5%	2.60%	928,753	4.9%	4.5%	-3.30%	960,222	4.5%	4.5%	-4.51%	-5.26%	17.24%	5.56%	6.49%
Citigroup Non-US Gov't Bond Index (5)				3.24%				-2.54%				-4.25%	-3.66%	18.73%	6.63%	7.04%
<b>International Core</b>																
Brandywine	824,109	4.6%	4.5%	-1.29%	898,084	4.8%	4.5%	-10.40%	1,002,121	4.7%	4.5%	-5.68%	-16.58%	10.78%	7.06%	8.51%
BC Global Aggregate (ex-US)				2.38%				-4.42%				-5.90%	-7.92%	16.53%	7.88%	7.38%
<b>TOTAL INTERNATIONAL FIXED INCOME</b>	<b>1,709,068</b>	<b>9.6%</b>	<b>9.0%</b>	<b>0.69%</b>	<b>1,826,837</b>	<b>9.7%</b>	<b>9.0%</b>	<b>-6.93%</b>	<b>1,962,343</b>	<b>9.2%</b>	<b>9.0%</b>	<b>-5.11%</b>	<b>-11.08%</b>	<b>13.90%</b>	<b>6.31%</b>	<b>7.50%</b>
Citigroup Non-US Gov't Bond Index (5)				3.24%				-2.54%				-4.25%	-3.66%	18.73%	6.66%	7.06%
<b>REAL ESTATE</b>																
INVESCO - Core	946,018			-0.03%	946,018			-0.03%	951,970			0.63%	0.56%	8.27%	N/A	N/A
INVESCO - Fund II	66,927			-1.22%	66,927			-24.68%	18,258			-1.85%	-26.98%	N/A	N/A	N/A
INVESCO - Asia Real Estate Fund	478															
J.P. Morgan Strategic & Special Funds	840,936			-3.31%	868,922			-0.03%	878,788			-1.95%	-5.22%	5.69%	15.27%	15.26%
J.P. Morgan Alternative Property Fund	227,985			-0.20%	227,985			-4.90%	240,094			-0.60%	-5.67%	4.59%	N/A	N/A
J.P. Morgan Greater China Property Fund	25,447			-1.90%	25,941			0.00%	25,941			-5.24%	-7.04%	N/A	N/A	N/A
<b>TOTAL REAL ESTATE</b>	<b>2,107,791</b>	<b>11.8%</b>	<b>8.5%</b>	<b>-1.44%</b>	<b>2,135,793</b>	<b>11.3%</b>	<b>8.5%</b>	<b>-0.80%</b>	<b>2,115,051</b>	<b>9.9%</b>	<b>8.5%</b>	<b>-0.72%</b>	<b>-2.93%</b>	<b>6.31%</b>	<b>15.27%</b>	<b>15.26%</b>
NCREIF TOTAL INDEX				-0.06%				-0.06%				-0.17%	-0.28%	9.20%	14.82%	14.63%
<b>ALTERNATIVE INVESTMENTS</b>																
Coral Partners V	30,802			0.00%	30,802			0.00%	30,989			0.00%	0.00%	9.09%	5.22%	-8.23%
Coral Partners V - Supplemental	3,627			0.00%	3,627			0.00%	3,619			10.51%	10.51%	-6.34%	3.94%	6.41%
Coral Momentum Fund (Formerly Fund VI)	59,414			0.00%	59,414			0.00%	59,414			-4.97%	-4.97%	13.96%	-3.63%	-7.09%
Brinson 1998 Partnership Fund	3,536			0.00%	3,536			0.00%	3,536			-3.84%	-3.84%	6.92%	17.74%	16.40%
Brinson 1999 Partnership Fund	10,866			0.00%	10,866			0.00%	10,866			-2.15%	-2.15%	13.32%	15.81%	14.25%
Brinson 2000 Partnership Fund	34,621			0.00%	34,621			0.00%	34,621			-10.02%	-10.02%	21.82%	21.03%	17.78%
Brinson 2001 Partnership Fund	31,009			0.00%	31,009			0.00%	31,009			-1.08%	-1.08%	2.23%	12.37%	9.49%
Brinson 2002 Partnership Fund	15,511			0.00%	15,269			0.00%	15,269			-5.82%	-5.82%	3.20%	14.93%	10.72%
Brinson 2003 Partnership Fund	5,979			0.00%	5,979			0.00%	5,979			2.40%	2.40%	-6.42%	16.42%	8.89%
Total Brinson Partnership Funds	101,522			0.00%	101,280			0.00%	101,280			-4.98%	-4.98%	13.85%	17.75%	14.80%
Brinson 1999 Non-US Partnership Fund	4,811			0.00%	4,811			0.00%	5,212			-1.11%	-1.11%	-9.78%	38.86%	33.76%
Brinson 2000 Non-US Partnership Fund	10,751			0.00%	10,751			0.00%	11,606			-3.21%	-3.21%	27.03%	38.56%	28.82%
Brinson 2001 Non-US Partnership Fund	7,939			0.00%	7,939			0.00%	7,939			-8.05%	-8.05%	13.44%	15.89%	14.66%
Brinson 2002 Non-US Partnership Fund	19,546			0.00%	19,546			0.00%	20,784			-5.05%	-5.05%	14.08%	43.86%	31.81%
Brinson 2003 Non-US Partnership Fund	17,863			0.00%	17,863			0.00%	17,863			3.32%	3.32%	24.92%	42.47%	23.29%
Brinson 2004 Non-US Partnership Fund	8,620			0.00%	8,620			0.00%	8,620			-4.17%	-4.17%	29.16%	25.88%	N/A
Total Brinson Non-US Partnership Fund	69,530			0.00%	69,530			0.00%	72,023			-2.76%	-2.76%	18.83%	37.12%	28.34%
Adams Street 2008 Non-US Partnership Fd	2,139			0.00%	1,759			0.00%	1,759			-3.86%	-3.86%	N/A	N/A	N/A
Brinson BVCF IV	52,899			0.00%	55,812			0.00%	55,812			7.08%	7.08%	-1.94%	7.62%	9.88%
Adams Street Direct Co-investment Fund	61,397			0.00%	61,397			0.00%	61,397			-3.78%	-3.78%	4.06%	N/A	N/A
Matlin Patterson Global Opportunities	20,696			0.00%	20,696			0.00%	20,696			-27.00%	-27.00%	-29.56%	-11.62%	9.60%
Matlin Patterson Global Opportunities II	107,614			0.00%	107,614			0.00%	107,614			-10.56%	-10.56%	-5.55%	8.69%	N/A
Matlin Patterson Global Opportunities III	68,947			0.00%	60,263			0.00%	60,263			1.13%	1.13%	-20.02%	N/A	N/A
InvestAmerica	27,051			0.00%	27,051			0.00%	27,051			0.00%	0.00%	27.36%	13.22%	1.67%
Hearthstone MSII	0			0.00%	0			0.00%	0			-100.00%	-100.00%	-62.01%	-100.00%	-100.00%
Hearthstone MSIII	3,560			0.00%	3,560			0.00%	3,560			-33.76%	-33.76%	-10.75%	63.82%	N/A
Corsair III	33,871			0.00%	33,871			0.00%	47,351			-6.63%	-6.63%	64.04%	N/A	N/A
Corsair III - ND Investors LLC	36,185			0.00%	36,185			0.00%	36,185			0.00%	0.00%	N/A	N/A	N/A
Quantum Resources	5,733			0.00%	6,004			0.00%	858			-91.16%	-91.16%	-52.44%	N/A	N/A
Quantum Energy Partners	14,073			0.00%	14,073			0.00%	10,638			-0.52%	-0.52%	-3.17%	N/A	N/A
<b>TOTAL ALTERNATIVE INVESTMENTS (6)</b>	<b>699,060</b>	<b>3.9%</b>	<b>3.0%</b>	<b>0.00%</b>	<b>692,938</b>	<b>3.7%</b>	<b>3.0%</b>	<b>0.00%</b>	<b>700,509</b>	<b>3.3%</b>	<b>3.0%</b>	<b>-5.93%</b>	<b>-5.93%</b>	<b>4.50%</b>	<b>10.73%</b>	<b>11.31%</b>
<b>CASH EQUIVALENTS</b>																
Northern Trust STIF	31,863			0.07%	242,570			0.14%	43,306			0.49%	0.70%	0.70%	3.40%	2.76%
Bank of ND	111,498			0.10%	164,491			0.13%	70,463			N/A	N/A	N/A	N/A	N/A
<b>TOTAL CASH EQUIVALENTS</b>	<b>143,361</b>	<b>0.8%</b>	<b>0.0%</b>	<b>0.08%</b>	<b>407,061</b>	<b>2.2%</b>	<b>0.0%</b>	<b>0.13%</b>	<b>113,769</b>	<b>0.5%</b>	<b>0.0%</b>	<b>0.48%</b>	<b>0.70%</b>	<b>0.70%</b>	<b>3.61%</b>	<b>3.40%</b>
90 Day T-Bill				0.10%				0.11%				0.63%	0.85%	3.63%	4.27%	3.18%
<b>TOTAL FUND</b>	<b>17,894,016</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-3.82%</b>	<b>18,835,139</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-12.16%</b>	<b>21,310,291</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-7.48%</b>	<b>-21.83%</b>	<b>-4.68%</b>	<b>7.37%</b>	<b>10.25%</b>
<b>POLICY TARGET BENCHMARK</b>				<b>-3.26%</b>				<b>-10.86%</b>				<b>-5.97%</b>	<b>-18.92%</b>	<b>-3.33%</b>	<b>5.92%</b>	<b>8.03%</b>

**NOTE: Monthly returns and market values are preliminary and subject to change.**

- (1) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.
- (2) TCW was terminated on September 22, 2006. The portfolio was transferred to Calamos on October 5, 2006.
- (3) Prior to January 1, 2005, the benchmark was the First Boston Convertible Index.
- (4) Prior to June 1, 2006, the Toledo properties were under the management of RMK.
- (5) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.
- (6) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.